Beginning of January: $123.65/cwt.  End of January: $122.45/cwt.  Price Change: ($1.20/cwt.)

The August 2017 Feeder Cattle futures contract decreased by $1.20/cwt. during January. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately $9.00/head ($1.20/cwt. * 7.5 cwt.) on a 750-pound feeder steer which amounts to $600.00/truckload (50,000 lbs.). The August Feeder Cattle futures contract high, contract low, and price range since September 2016 are $128.60, $109.90, and $18.70/cwt., respectively. The price range of $18.70/cwt. on a 750-pound feeder steer totals $140.25/head and $9,350.00/truckload.

Breakeven Price¹
Price Objective²
Expected Cash Price³

Table 2. Feeder Calf Price Watch for August 2017
550 lb. Feeder Calves, Med. & Lg., #1 & #2, Florida
Based on August 2017 Feeder Cattle Futures Prices (CME)

1The breakeven price was estimated to be $722.10/hd. or $131.29/cwt. ($722.10/hd. divided by 5.50 cwt.). The breakeven price includes production costs of $705/hd. and death loss of $17.10/hd.
2The price objective was estimated to be $872.10/hd. or $158.56/cwt. ($872.10/hd. divided by 5.50 cwt.). The price objective includes production costs of $705/hd., death loss ($17.10/hd.), family living withdrawal ($100/hd.), and growth capital/retirement ($50/hd.).
3The expected cash price is equal to the daily August 2017 Feeder Cattle futures closing price plus an expected August 2017 South Florida 550 lb. Feeder Calf Basis of $2/cwt.